

Office of Energy Resources

Analyst: Houston

Historical Summary

OPERATING BUDGET	FY 2007 Total App	FY 2007 Actual	FY 2008 Approp	FY 2009 Request	FY 2009 Gov Rec
BY FUND CATEGORY					
General	0	0	0	43,200	43,600
Dedicated	0	0	0	2,198,600	2,693,300
Federal	0	0	0	919,100	917,600
Total:	0	0	0	3,160,900	3,654,500
Percent Change:					
BY OBJECT OF EXPENDITURE					
Personnel Costs	0	0	0	1,248,400	1,148,800
Operating Expenditures	0	0	0	1,900,500	1,841,100
Capital Outlay	0	0	0	12,000	0
Lump Sum	0	0	0	0	664,600
Total:	0	0	0	3,160,900	3,654,500
Full-Time Positions (FTP)	0.00	0.00	0.00	18.00	18.00

Division Description

The Office of Energy Resources was originally created by Governor Andrus through an Executive Order (EO) in 1975. Those responsibilities were then assigned to the Idaho Department of Water Resources in 1981. Program authority was modified by EO 2001-06 when energy standards for building codes were transferred to the Division of Building Safety. On October 19, 2007, Governor Otter issued EO 2007-15 establishing the Office of Energy Resources within the Office of the Governor.

The duties, powers and authorities of the Office of Energy Resources shall include:

- a) Advising the Governor, the Legislature and other public officials of the State's energy requirements, supply, transmission, management, conservation and efficiency efforts;
- b) Coordinating and cooperating with federal and state agencies, departments and divisions, and local governments on issues concerning the State's energy requirements, supply, transmission, management, conservation and efficiency efforts;
- c) Pursuing and accepting federal delegation of responsibility and authority for matters that affect the energy supply, transmission, management, consumption and conservation by the citizens of Idaho other than energy codes and standards for buildings and those matters under the jurisdiction of the Idaho Public Utilities Commission;
- d) Preparing and, as necessary, implementing contingency plans for the conservation and allocation of energy supplies not otherwise regulated by the Idaho Public Utilities Commission during periods of shortages and supply interruptions;
- e) Providing technical assistance to all state agencies, departments, divisions and local governments for energy conservation projects and renewable energy resource opportunities, and helping those entities secure funding where available for energy conservation projects and renewable energy resource opportunities;
- f) Assisting local governments, school districts and public institutions by providing technical assistance and funding for programs to improve energy management and reduce energy consumption;
- g) Providing public information and data on energy supplies, transmission, delivery, demands, technologies, efficiency measures and conservation;
- h) Promoting energy conservation through research, public information, education, training, technical assistance, funding assistance and other activities;
- i) Promoting the utilization of renewable energy resources through funding and technical assistance, research and public information;
- j) Assisting in the development of energy-efficient technologies;
- k) Entering into other agreements or contracts and do that which is necessary to carry out the provisions of this Executive Order and in the performance of other duties as may be directed by the Governor.

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Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2008 Original Appropriation	0.00	0	0	0.00	0	0
FY 2009 Base	0.00	0	0	0.00	0	0
1. Transfer from Water Resources	18.00	43,200	3,160,900	18.00	40,300	2,989,900
2. Enhance Office of Energy Resources	0.00	0	0	0.00	3,300	664,600
FY 2009 Total	18.00	43,200	3,160,900	18.00	43,600	3,654,500
Change from Original Appropriation	18.00	43,200	3,160,900	18.00	43,600	3,654,500
% Change from Original Appropriation						

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2008 Original Appropriation	0.00	0	0	0	0
FY 2009 Base					
Agency Request	0.00	0	0	0	0
Governor's Recommendation	0.00	0	0	0	0

1. Transfer from Water Resources

On October 19, 2007, Governor Otter issued Executive Order 2007-15 establishing the Office of Energy Resources within the Office of the Governor. The responsibilities for Energy Resources were previously assigned to the Idaho Department of Water Resources under Executive Order 2001-06, which expired in 2005. This line item moves that budget from the Department of Water Resources to the Governor's Office. There are no moving costs included, it assumes that the Office of Energy Resources will continue to be collocated at the Water Center with the Department of Water Resources or that moving costs can be absorbed within the current budget.

Funding SOURCES and "projects" are summarized below:

1) The GENERAL FUND money for energy has historically been used as match for an annual grant from US Dept of Energy for "National Biomass State and Regional Partnership Program". This year's grant ended Sept 30, 2007 and Congress has discontinued the program. The Office of Energy Resources is currently using the funds to cover approximately one-third of Paul Kjellander's personnel costs as the new administrator.

2) DEDICATED FUNDS: NORTHWEST ENERGY EFFICIENCY ALLIANCE (NEEA), "Quality Assurance/Certification". OREGON OFFICE OF ENERGY (OOE), "Manufactured Housing Quality Assurance and Technical Assistance" - the Office is the sub-recipient, funds come from NEEA to OOE. IDAHO POWER CO, "Home Certification Services". PETROLEUM PRICE VIOLATION FUND (PPVF), monies received in the 1980s from settlements to the states for price fixing are used for low interest loans and interest on the fund is used for support costs. The transfer includes spending authority in the amount of \$1,340,800 from PPVF.

3) FEDERAL FUNDS: US DEPARTMENT OF ENERGY "State Energy Plan" (funded annually has several projects within it such as: "Energy Efficiency in Residential and Commercial Buildings", "Energy Efficiency in Ag and Renewables", "Management and Monitoring", and "Consumer Education and Information"); "Building America Expansion Project"; "Energy Star Radio Promotion"; "Geothermal Outreach in Rural Idaho"; "Geothermal Outreach"; "Idaho Energy Retrofit Pilot Project"; "Industries of the Future"; "Million Solar Roof Initiative"; "Rebuild Idaho"; "Wind Power Strategic Plan"; "Idaho Wind Energy Education/Outreach"; "Wind Power and Water Pumping"; "Wind Development Initiative". NATIONAL ASSOCIATION OF STATE ENERGY OFFICIALS (NASEO), "State Technology Advancement Collaborative (STAC) Grant" - the Office is the sub-recipient, funds come from the US Department of Energy to NASEO. WASHINGTON STATE UNIVERSITY COOPERATIVE EXTENSION SERVICE, "Building Technology Outreach" - the Office is the sub-recipient, funds come from US Department of Energy to WSU, "Combined Heat & Power Project" - the Office is the sub-recipient, funds come from US Department of Energy to WSU.

Agency Request	18.00	43,200	2,198,600	919,100	3,160,900
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The Governor transfers the base budget of the Division of Energy Resources to the Office of Energy Resources in this line item. The Governor then follows with an additional amount that includes benefit costs, inflation, replacement items, Change in Employee Compensation (CEC), and enhanced spending authority shown in line item #2.

Governor's Recommendation	18.00	40,300	2,077,200	872,400	2,989,900
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2. Enhance Office of Energy Resources

Agency Request	0.00	0	0	0	0
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This line item recommends lump-sum spending authority for the first year of the newly created Office of Energy Resources and includes adjustments for benefit costs, inflation, replacement items, and CEC. It also includes an increase of \$500,000 in spending authority to make renewable energy royalties available to the Office as dedicated funding which would require legislation. [\$12,000 one-time]

Governor's Recommendation	0.00	3,300	616,100	45,200	664,600
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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2009 Total					
Agency Request	18.00	43,200	2,198,600	919,100	3,160,900
<i>Governor's Recommendation</i>	<i>18.00</i>	<i>43,600</i>	<i>2,693,300</i>	<i>917,600</i>	<i>3,654,500</i>
Agency Request					
Change from Original App	18.00	43,200	2,198,600	919,100	3,160,900
% Change from Original App					
<i>Governor's Recommendation</i>					
<i>Change from Original App</i>	<i>18.00</i>	<i>43,600</i>	<i>2,693,300</i>	<i>917,600</i>	<i>3,654,500</i>
<i>% Change from Original App</i>					